



**Senator Cory Gardner
Opening Statement
U.S.-Affiliated Islands Hearing
April 5, 2016**

Good morning and welcome to the Senate Energy and Natural Resources Committee hearing on issues relating to the U.S. territories and the Freely Associated States. Specifically we will be looking at two bills – S. 2360 the Omnibus Territories Act of 2015, and S. 2610, a bill to approve the 2010 Agreement between the United States and Palau.

We will also review reports by the U.S. Government Accountability Office relating to the Agreement with Palau as well as a review of the Compacts of Free Association with the Marshall Islands and Micronesia and the impact of Compact migrants in our states and territories.

Let me begin my remarks first on the legislation to approve the 2010 Agreement with Palau. Palau has been one of the United States' most steadfast allies. They vote with the U.S. in the United Nations more than any other nation except for Israel. Out of a total population of around 21,000, approximately 500 of their men and women serve in the United States Armed Forces. Palau was the first nation to step forward and resettle detainees from our base in Guantanamo Bay to their island nation. We should be mindful of, and grateful for, their support.

This Committee has held two hearings on this Agreement in prior Congresses. To the best of my knowledge, I am unaware of any policy objections to the Agreement's plan of continued financial assistance to Palau through Fiscal Year 2024. The difficulty has always been finding an acceptable and viable offset to pay for that financial assistance.

I would note that since the 2010 Agreement was signed by this Administration, Congress has annually provided over \$13 million in discretionary funding – for just over \$90 million total so far – bringing the cost of the Agreement to \$150 million over 10 years – down from \$240 million. Unfortunately, however, the Administration has not been able to identify a politically viable option to cover the remaining amount. I am hopeful that the Administration's witness today will be able to provide an update on where things stand with finding that offset.

The other piece of legislation we will consider has three different parts to it, relating to the people of Bikini Atoll's ability to resettle in a location outside of the Marshall Islands, the authority to permit a foreign carrier to operate between the American Samoa islands of Tutuila (too-too-ee-luh) and Manu'a (mah-new-ah) without the need for an emergency service designation, and an amendment to the REAL ID Act so that citizens of the Freely Associated

States would be eligible for driver's licenses or personal identification cards. The State of Oregon has acted on this issue and this legislation seeks to apply that action nationwide.

The first two issues were introduced at the request of the Administration while the latter issue has previously been reported out of this Committee and passed by the Senate last Congress.

With regard to GAO's reports, we certainly appreciate the expertise and institutional knowledge and memory that GAO's experts provide on topics like the territories and Freely Associated States. With fewer and fewer members of Congress in office who served in the Pacific theater of World War II, and experienced how that period in history shaped the United States' engagement with the Pacific Islands, and particularly our relationship with the U.S.-affiliated islands, retaining that knowledge is very important for us to be able to put some of these legislative proposals into proper context.

Certainly the topic of Compact Impact is important to Hawaii and Guam – and a growing importance to states like Arkansas, Missouri, and Oregon as citizens of the Freely Associated States migrate further into the United States.

I look forward to hearing from our witnesses this morning on these topics.

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